(1) Continuation and strengthening of existing broad system of incentives for export which would include provision of raw material at international price and compensation for disadvantages arising out of domestic taxation etc.

(2) To make basic structure of our domestic industry internationally competitive in terms of technology, quality and cost. For this purpose, the Committee has recommended special efforts on a more selective basis by selection of a few 'thrust' industries in which the existing industrial structure is sufficiently developed and in which we have a potential comparative advantage. The Committee recommended that these industries be offered special policy environment keeping in view the considerations of optimum scale of production, technological modernisation and competition with a view to make them internationally competitive. The principle of selectivity was also recommended in case if export market and export of projects.

(b) Yes, Sir.

(c) Detailed exercises for drawing up production and export plans for individual 'thrust industries' are being undertaken by Commerce and Industry Ministries in consultation with other ministries. The Government has also taken a series of measures for liberalisation of industrial licencing policies and introduction of new technology with a view to increase the international competitiveness of domestic industry. Decision has also been taken to extend the cash compensatory scheme beyond 31-3-1986 and provide for compensation to industry for the cascading effect of domestic taxes. Additionally, alloys and other types of steels have been included in the International Price Reimbursement Scheme to provide steel materials at international price for export production. The Import-Export Passbook scheme has been introduced with effect from 1-1-86 for manufacturer-exporters with a view to provide easy access to duty free imports for export production.

Impact of price hike on commodities on price indices

916. PROF. C. LAKSHMANNA: Will the Minister of FINANCE be pleased to state:

(a) the total impact on the wholesale price index and consumer price index respectively of the recent hikes in the administered prices of coal, wheat, rice, fertilisers and petroleum products announced by Government;

(b) the total revenue anticipated as a result of these hikes in prices; and

(c) what steps Government propose to take to provide relief to the common man?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a)The direct impact of the recent revisions during January and February, 1986 in administered prices of coal, fertilisers and petroleum products and issue prices of wheat and rice on the Wholesale Price Index is estimated to be 0.7 per cent. The Wholesale Price Index for 8th February, 1986 included the changes in respect of prices of petroleum products, rice and wheat and recorded a fall of 0.1 per cent in that week. Wholesale Price Index available upto 15th February, 1986 however shows a fall of 0.1 per cent in that week. The Consumer Price Index for Industrial Workers (1980-100) is available only upto December, 1985.

(b) The revision in the prices of petroleum products is estimated to yield an additional Rs. 530 crores for the public sector oil undertakings. The hike in other administered prices will go towards reduction in subsidies and costs of the relevant public sector undertakings.

(c) The Government has been closely watching the price situation and has taken a number of steps to moderate the impact of price increases on consumers These include expansion of Public Distribution System for essential commodities and continuation of schemes for providing foodgrains to poorer sections at highly subsidised prices. Plan investment will also result in a number of schemes for the urban and rural poor.

Prices of wheat and rice sold through public distribution system

916. SHRIMATI KANAK MUKHERJEE: Will the Minister of FOOD AND CIVIL SUPPLIES be pleased to state:

(a) how many occasions the prices of wheat and rice distributed through public distribution system have been enhanced during the period 1980 to January, 1986;

(b) what was the extent of enhancement on each occasion;

(c) on what ground or grounds the prices have been and are being enhanced through administrative order; and

(d) what were the prices per KG of rice and wheat sold through public distribution system year-wise from 1980 to January, 1986?

THE MINISTER OF STATE FOR PLANNING AND FOOD AND CIVIL SUPPLIES (SHRI AJIT PANJA): (a) and (b) The Central issue prices of wheat and rice are given in the statement attached. (*see below*)

(c) The issue prices are enhanced from time to time, consequent upon increases in the support prices of paddy and wheat.

The issue prices of rice and wheat have been revised so that the amount thereby saved could be used for strengthening the Plan efforts and provide further thrust in implementing the anti-poverty programmes including supply of cheaper foodgrains for tribal areas, rural works and for women and children under welfare programmes.

(d) The public distribution system in the States is organized by the State Governments, who fix the retail prices of these commodities after taking into account the cost of retail distribution, their subsidy if any, and other factors. These vary from State to State and from time to time.

Statement

Statement showing the issue prices of rice and wheat

(Rs. per quintal)

	1979	1981	1981	1982	1984	1985	1986
	from 25.10.79	from 1.1.81 Raw and par-boiled	from 1.10.81 Raw and par boiled	from 1.10.82 Raw and par-boiled	from 16.1.84 Raw and par-boiled	from 10.10.85 Raw and par-boiled	from 1.2.86 Raw and par-boiled
RICE							
Common	150.00	165.00	175.00	188.00	208.00	217.00	231.00
Fine	162·00	177·00	187·00	200·00	220.00	229·00	243·00
Superfine	172·00	192·00	202·00	215·00	235·00	244·00	258·00